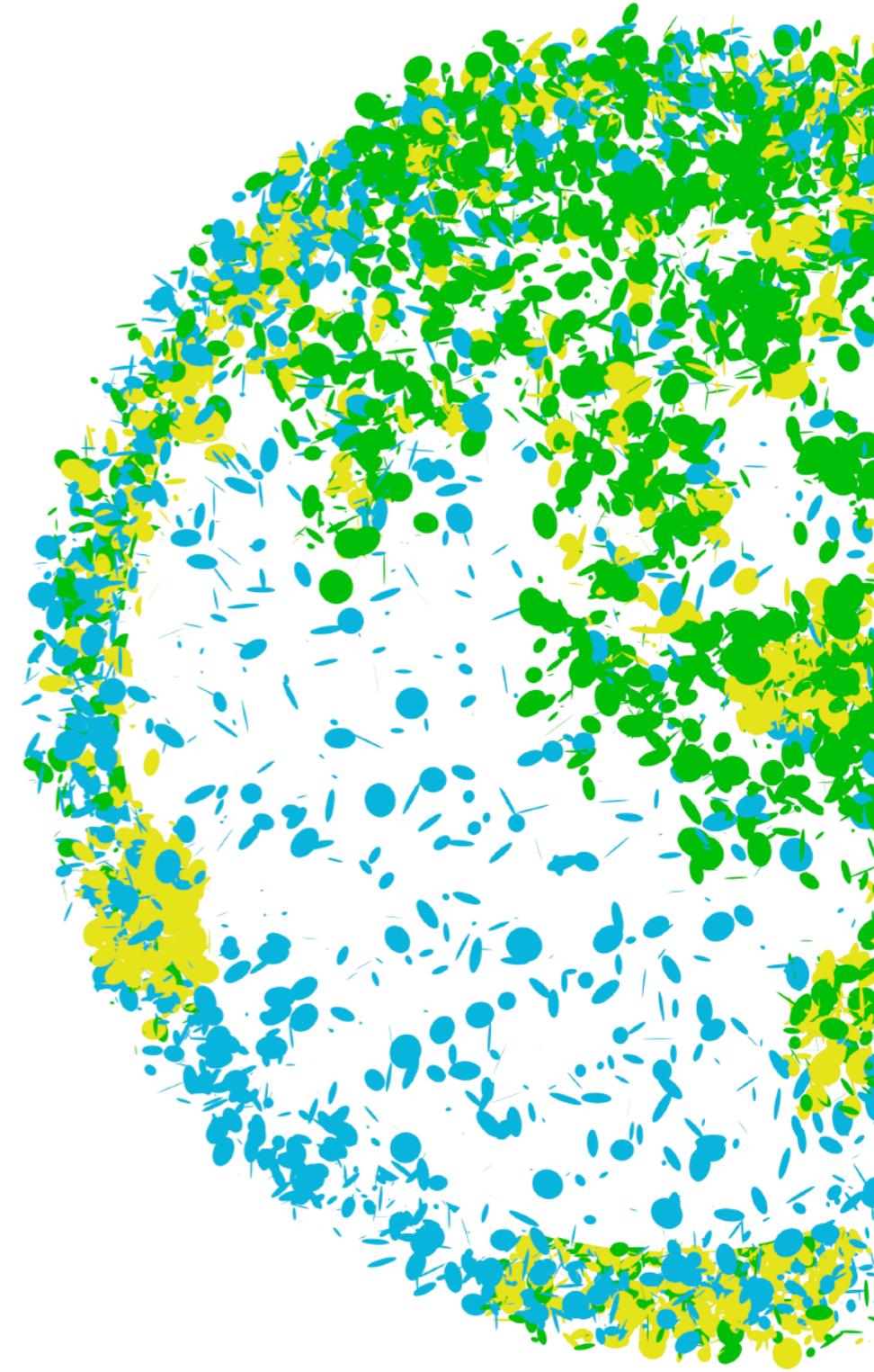


ECOVE Environment 2019 1st Investor/Press Conference

2019.03.26





Agenda

- Review of 2018
- Future Outlook
- Summary of 2018 Financial Report

Review of 2018



Award

Corporate Governance and CSR

2018 National Sustainable
Develop Award
Executive Yuan

Top 5% Companies of
2018 4th Corporate
Governance Assessment
FSC

Houli Plant won
2018 Environmental
Education Facility Certificate
EPA

2018 Outstanding Green
Energy Construction Award
Tainan City Government

2018 Outstanding Green
Energy Award
Tainan City Government

2018 Taiwan Sustainability
Index
TAISE

For 2 consecutive years won
BS8001 Certificate
BSI

2017 Sustainability Report
AA1000 Certificate
BSI

3rd in 2018 Excellence in CSR
medium-size enterprise
sector
Commonwealth

Award

Quality, Safety and Health

2018 5th Top Solar Awards
MOEA

Tainan Science Park Resource
Recycling Center won
2018 Environmental
Protection Excellence Award
MOST

Tainan Science Park Resource
Recycling Center won
2018 OSH
Excellence Award
MOST

2018 Environmental
Protection Employee Award
MOL

2018 OSH Employee Award
MOL

Keelung, Miaoli, Houli, Wujih,
Tainan and Tainan Science Park
Resource Recycling Center won
2018 Badge of Accredited
Healthy Workplace
MOHW

Miaoli Plant won
2017 EfW Premium
Performance Award
EPA

2018 SH family Certificate of
Appreciation
Tainan City Government

2018 Chin-Fang Special
Award
TIPC

New Investment Project

Invested ECOVE Solvent Recycling Corporation to develop W-IPA recycling business

- Invested Yue-Tzung and name change is completed
- Applied concentration technology to recycle low-concentration IPA into 99.5% industrial grade product
- Waste reuse application is under review and expected to start recycling business in 2019 H2
- Features
 - ✓ Incorporating the brand and BS 8001 circular economy certification
 - ✓ Established the foundation of recycling business
 - ✓ The first self-created recycling project through M&A, establishing a new business model and experience
- Future outlook
 - ✓ Copy this investment model and expand to other projects and overseas markets
 - ✓ Cooperate with other large-scale waste producer to promote waste recycling ideas and jointly carry out business



New Investment Project

Won Taoyuan Biomass-energy Center BOT project and established EVER ECOVE CORP.

- Concession period is 25 years. CTCI is in charge of construction and ECOVE is in charge of 22 years O&M
- Features
 - ✓ The first biomass-energy center (including incineration, anaerobic digestion and landfill) matches zero-waste concept
 - ✓ Have more stringent air pollution emission standards than current EfW plants'
 - ✓ Designed power generation efficiency is more than 25%, in line with the regulations for the management of renewable energy power generation equipment
 - ✓ Implement circular economy (PVPP, green building, fly ash, and AD residue and liquid recycling)
 - ✓ In line with the world's most stringent EU operating criteria
- Benefit
 - ✓ In the past 20 years, the first waste treatment plant applied international advanced technology which is beneficial to maintain the leading position
 - ✓ The investigation work of the case can be applied to the future business



New Investment Project

Acquired 100% equity of GDDC and expanded the development of solar photovoltaic

- Own 100% equity. Fully contribute to revenue and profit
- Features
 - ✓ Completed 60 projects and earned comprehensive experience in developing, construction and O&M
 - ✓ Excellent engineering quality, won many awards
 - ✓ Taipei MRT Beitou Depot is the largest public rooftop PVPP in the northern region



- Future Outlook
 - ✓ With group synergy, develop new area and strengthen competitiveness
 - ✓ With good performance, continuously strive for government-led tenders
 - ✓ Actively develop large-scale cases and overseas investment opportunities, and select investment targets cautiously

Major Projects Awarded

EfW and Waste Management

Domestic

- Taoyuan Biomass-energy Center BOT
- Tainan Science Park Resource Recycling Center O&M
- Kaohsiung Central District EfW Plant annual overhaul
- Kaohsiung Central District EfW Plant fire restoration
- Pingtung Kanding EfW Plant annual overhaul
- Taoyuan Airport incineration plant pollution control equipment upgrade

Overseas

- Macau EfW Plant major equipment upgrade
- Macau EfW Plant kitchen waste treatment facility O&M
- Beijing Haidian EfW Plant O&M supervision

Major Projects Awarded

Photovoltaic Power

12 Projects in operation

- Ground-mounted: Tainan Landfill*4, Kaohsiung Port*4
- Rooftop: Taipei MRT Beitou Depot, CTCI-Mech Dalin Plant
- Floating: Chianan Irrigation Association *2

15 Projects in construction

- Ground-mounted: Tainan Landfill*4, Chiayi Landfill, Hualian Landfill, Miaoli Civil Aviation Authority
- Rooftop: Changshing Water Purification Plant, Taoyuan Metro Luju Depot, THSR Taoyuan Station, THSR Liougu Depot
- Floating: THSR Wujih and Tzuoying Station Flood Pond, Kaohsiung Metro North and Daliau Depot Flood Pond

Major Projects Awarded

Recycling

- New Taipei City gravel contact oxidation plant and Zhong Gang Water Resource Center O&M, total capacity is 136,700CMD



Others

- Taoyuan Airport T3 air bridge maintenance
- Kaohsiung Metro environment control system maintenance
- Taoyuan Metro environment control system maintenance
- Taoyuan Airport high voltage supply system maintenance

Future Outlook



Future Outlook

EfW and Waste Management

Domestic

- The government promotes the EfW plant revamping for life extension, such as Kaohsiung South District, Tainan Chengxi and other EfW plants
- Special wastes treatment plant is not easy to set up, will focus on revamping, such as Tainan Science Park Resource Recycling Center
- Waste multi-purpose treatment plan, such as total solution treatment facility, MBT etc



Overseas

- Strive for Macau EfW plant operation and pay attention to business opportunities with increased processing capacity
- In conjunction with the government's southward policy, participate in Southeast Asian regional tenders, such as Vietnam, India etc.
- Strive for China supervision business, such as Shanghai Laogang Phase I and Phase II, Shanghai Jinshan District EfW Plant



Future Outlook

Photovoltaic Power

Domestic

- Government target of 20GW solar by 2025
- In addition to the government-led tenders, will actively evaluate investment opportunities in large-scale cases



Oversea

- Continue to pay attention to market trends in the U.S. and Southeast Asia, carefully select investment targets
- The U.S. market is not affected by the Trump administration and still actively promotes renewable energy. For example, California set goal of 100% renewable energy by 2045, and New Jersey set goal of 50% renewable energy by 2030
- Vietnam has established a tariff subsidy mechanism to encourage investment in solar power plants, with a targeted capacity of 12 GW by 2030

Future Outlook

Recycling

Water Treatment	<ul style="list-style-type: none">• In addition to Fengshanxi and Linhai Reclaimed Water Plant, there are still plans for the construction of reclaimed water plants in Taoyuan North District and Tainan Science Park
Waste Solvent	<ul style="list-style-type: none">• W-IPA recycling plant is under construction. Following tsmc expansion plan, the volume of waste is expected to increase• Continue to develop other waste solvent recycling projects on a market scale
Organic Waste	<ul style="list-style-type: none">• Invest Taoyuan Biomass Energy Center. Will continuously expand organic waste treatment business• Affected by the African swine fever, the government actively promoted kitchen AD power generation facilities. In addition to the Tainan case, there are also plans for construction in Taipei, Kaohsiung and Yilan
Others	<ul style="list-style-type: none">• Due to the trend of the circular economy, the demand for self-recycling facilities is increasing and create related business opportunities

Future Outlook

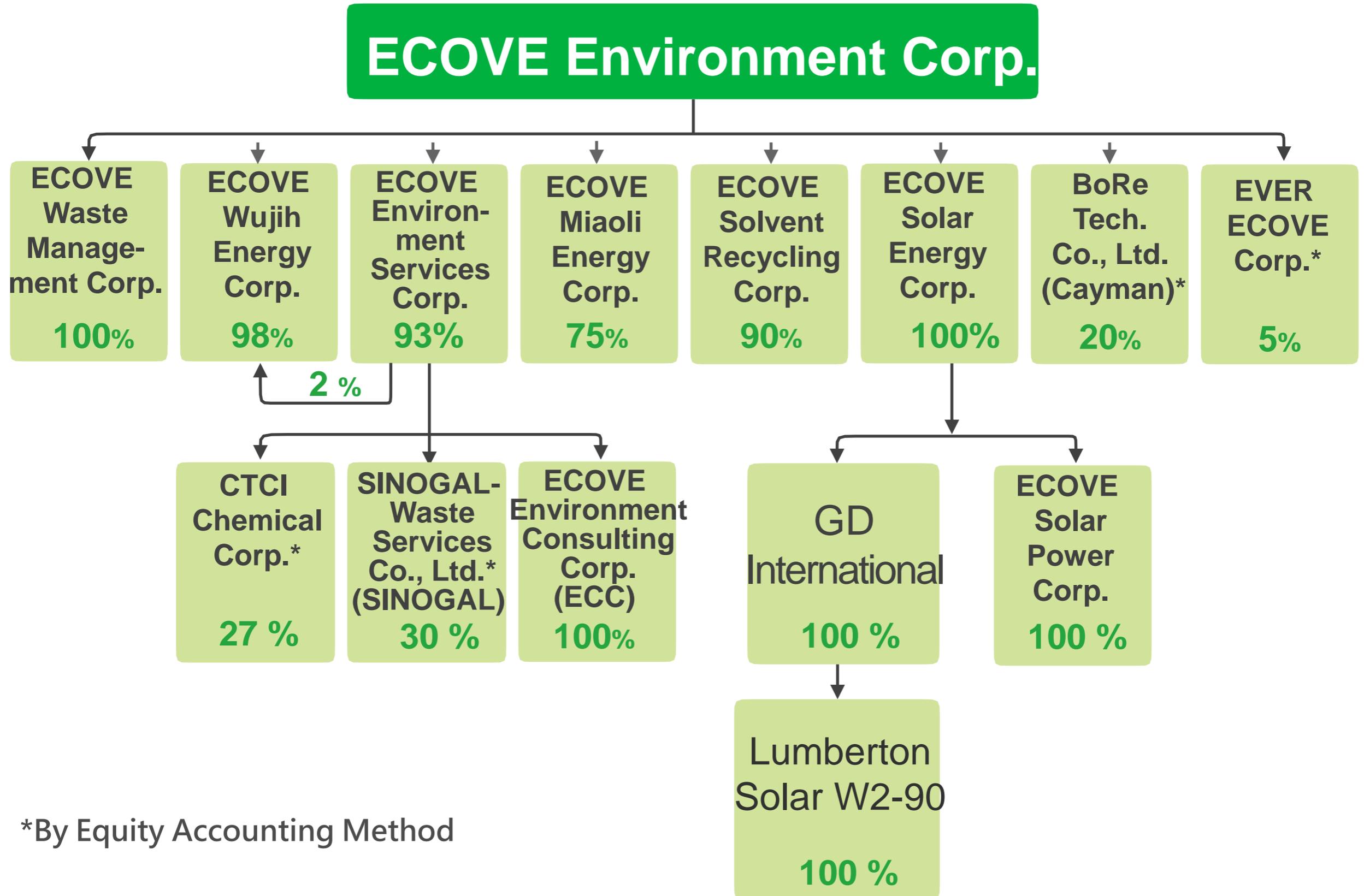
Others

- Active development of track construction everywhere, such as Taoyuan, Taichung, New Taipei City and other MRT planning. Will continue strive for business
- Taoyuan Airport T3 is expected to be completed in 2022. Will extend the success experience of the air bridge and other core equipment to Taoyuan Aerotropolis



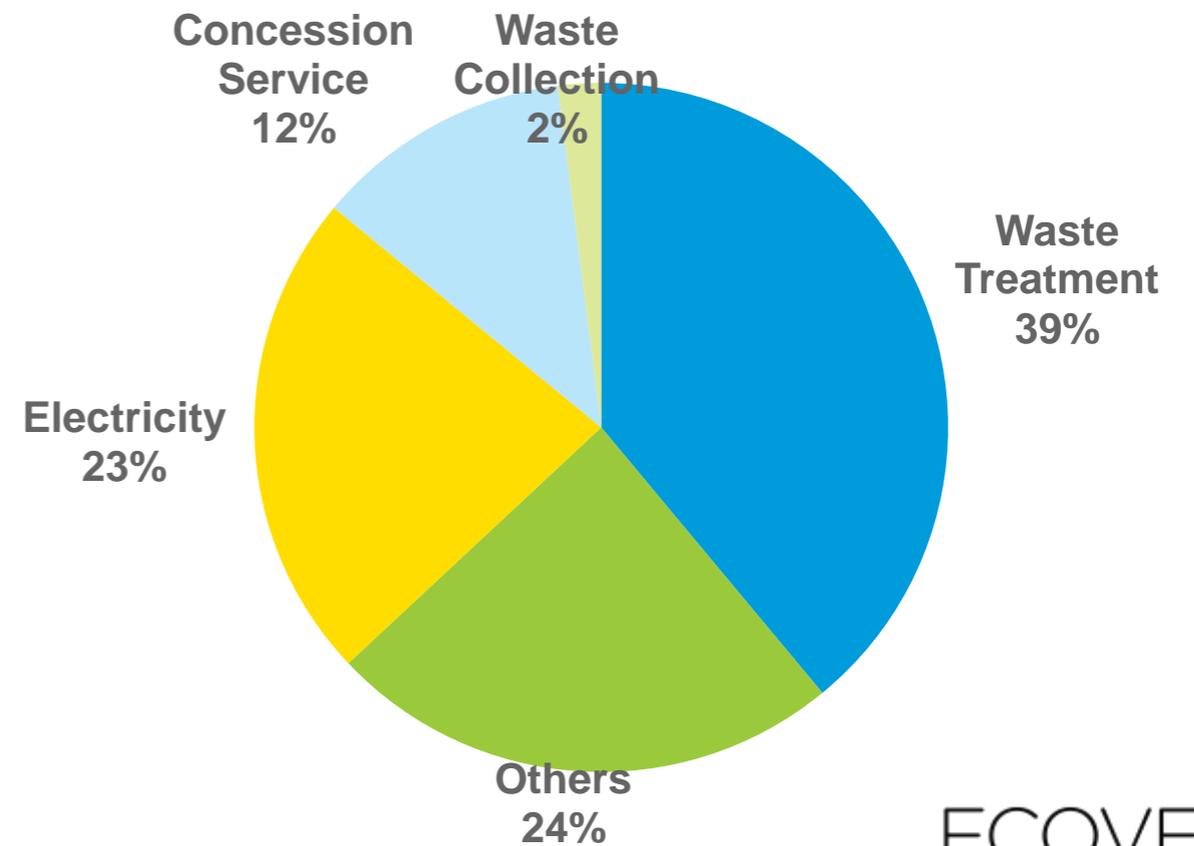
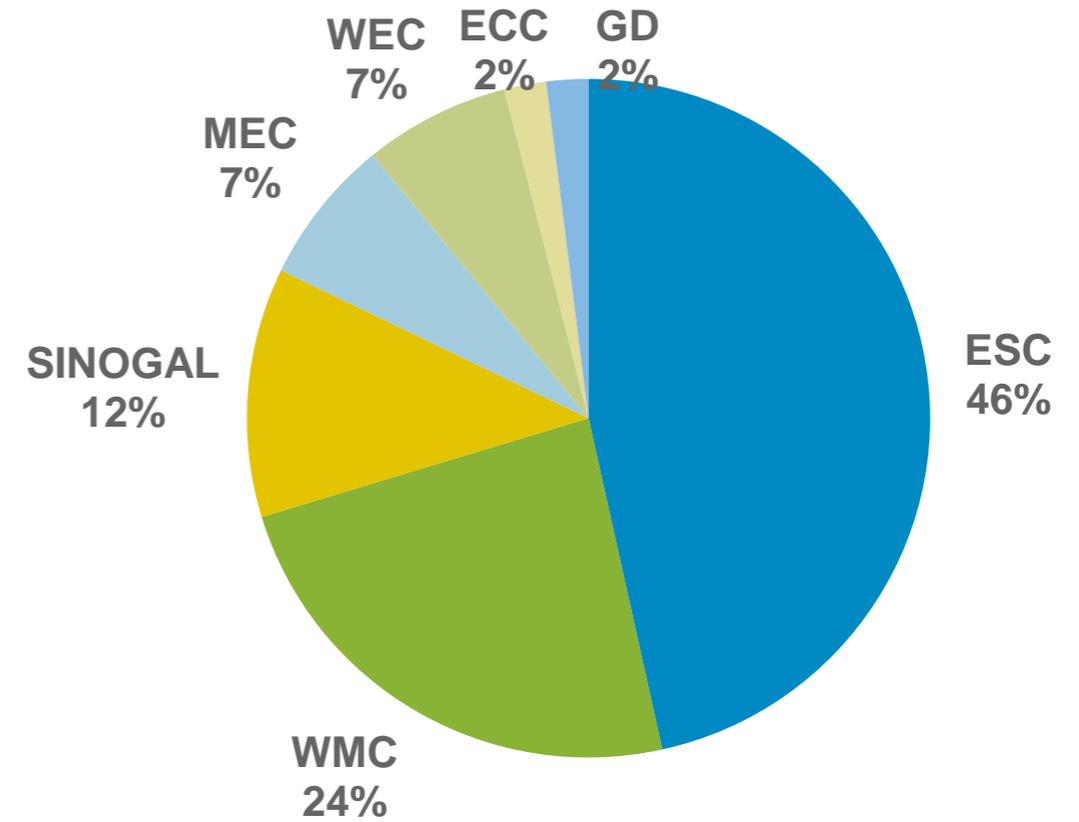
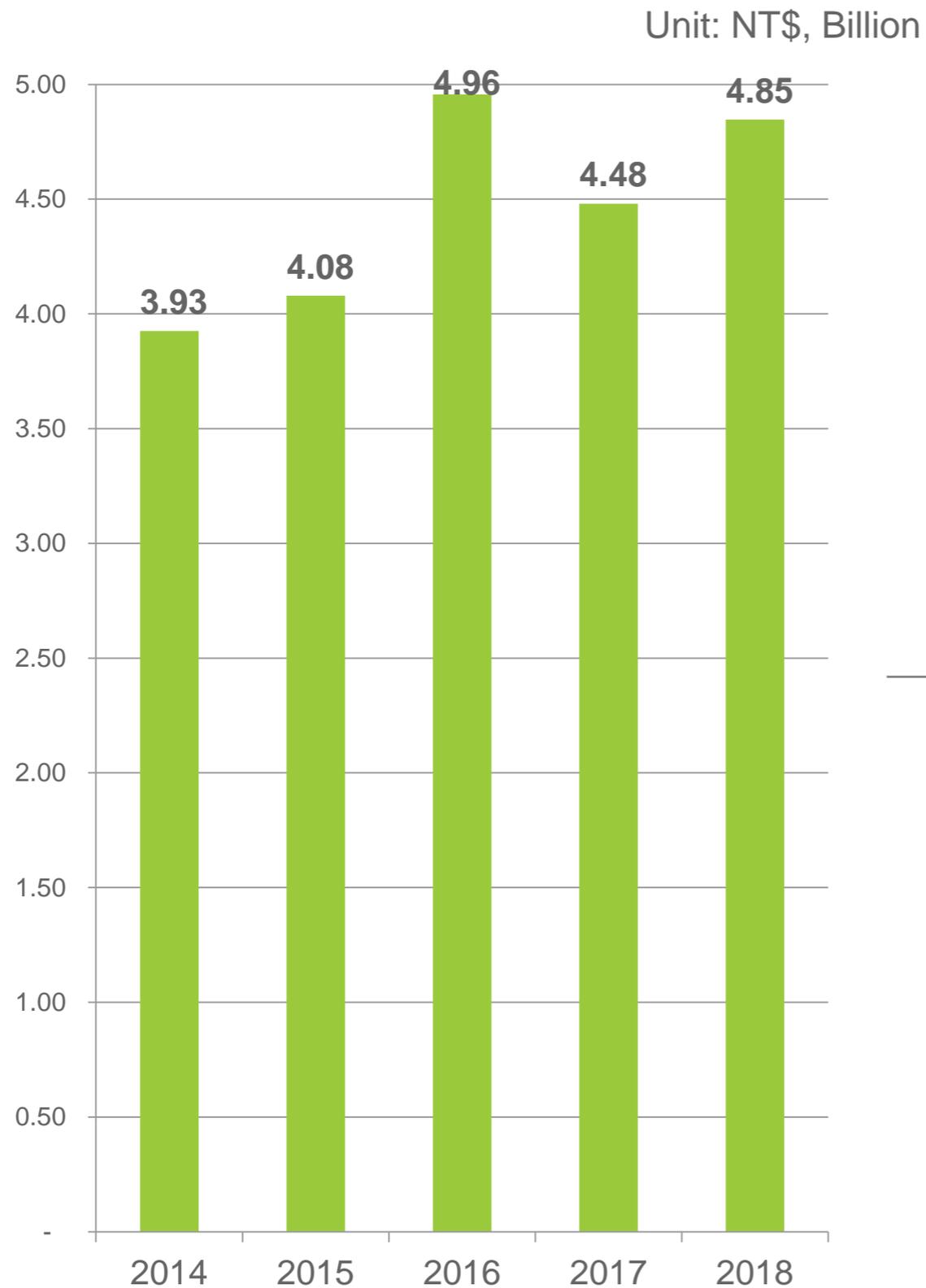
Summary of 2018 Financial Report

Investment Structure



*By Equity Accounting Method

Consolidated Revenue Breakdown



2018 Consolidated Income Statement

Unit: NT\$, Thousand

	<u>2018/12/31</u>		<u>2017/12/31</u>		<u>YOY</u>
Operating Revenue	4,847,096	100.0%	4,479,587	100.0%	8.2%
Operating Costs	(3,539,458)	-73.0%	(3,220,330)	-71.9%	9.9%
Gross Profit	1,307,638	27.0%	1,259,257	28.1%	3.8%
Operating Expenses	(178,722)	-3.7%	(181,840)	-4.1%	-1.7%
Operating Profit	1,128,916	23.3%	1,077,417	24.1%	4.8%
Total Non-Operating Income and Expenses	105,854	2.2%	38,926	0.9%	171.9%
Profit before income tax	1,234,770	25.5%	1,116,343	24.8%	10.6%
Income Tax Expense	(254,298)	-5.2%	(156,919)	-3.5%	62.1%
Profit for the period	980,472	20.2%	959,424	21.3%	2.2%
Profit attributable to Owners of the parent	806,912	16.6%	761,339	17.0%	6.0%
EPS After Tax (TWD)	12.04		11.41		

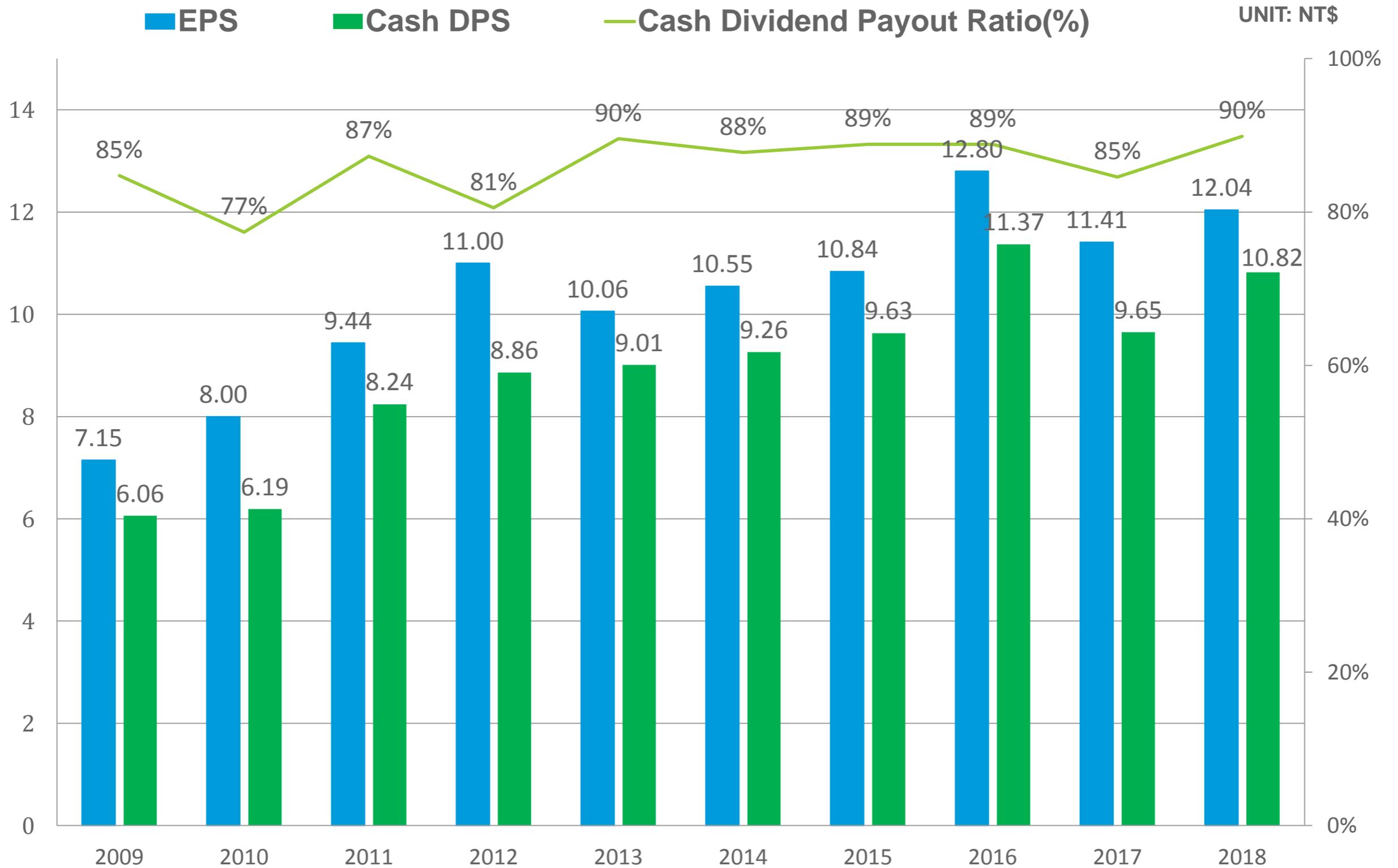
2018 Consolidated Balance Sheet

Unit: NT\$, Thousand

	2018/12/31		2017/12/31	
Current assets*	3,574,782	39%	3,705,572	53%
Non-current assets	5,500,925	61%	3,351,557	47%
Total assets	9,075,707	100%	7,057,129	100%
Current liabilities	1,496,920	16%	1,326,188	19%
Non-current liabilities	2,157,428	24%	500,059	7%
Total Liabilities	3,654,348	40%	1,826,247	26%
Equity attributable to owners of the parent	4,878,238	54%	4,683,639	66%
Non-controlling interest	543,121	6%	547,243	8%
Total equity	5,421,359	60%	5,230,882	74%
Total liabilities and equity	9,075,707	100%	7,057,129	100%

* Cash and cash equivalents:NT\$1.54bn.

Dividend Payout



ECOVE[•]

A CTCI Company